

HAMILTON COUNTY BOARD OF AVIATION
SEPTEMBER 25, 2003

The Hamilton County Board of Aviation met on Thursday, September 25, 2003 in the Commissioner's Courtroom in the Hamilton County Government and Judicial Center, One Hamilton County Square, Noblesville, Indiana.

Vice President Tim Tolson called the meeting to order at 6:34 pm. Roll call was taken and a quorum was declared present of Tim Tolson, Buddy Pylitt and Paul Spranger. Larry Jacobi was absent.

Approval of Minutes:

Buddy Pylitt motioned to approve the August 28, 2003 minutes. Paul Spranger seconded. Motion carried unanimously.

President's Report:

Tim stated he attended the Hamilton County Convention and Visitor's Bureau meeting and they would like to work with us in the future and also on the dedication of the airport.

Buddy stated on September 15, 2003 Mike Howard, Larry Jacobi, Dan and Andrea Montgomery and himself met with the Boone County Commissioners. We discussed Hamilton County's agenda regarding Indianapolis Executive Airport. The commissioners would like to meet with us quarterly. The next meeting will be held at the airport. We invited the Commissioners to the open house and they indicated they will be there. It was a very good meeting.

Indianapolis Executive Airport Purchase:

Brad Beaver stated he would like to have a general discussion of the acquisition of Terry Airport. He would like to know what was under lease, what is expected from state and federal funds, what is expected from Hamilton County funds and what is the chain of command?

Mike Howard reviewed the acreage acquired on the aerial map. Hamilton County acquired 539 acres. We paid Mr. VanSickle for 210.37 acres plus an additional .79 acres at the outer marker. The rest of the ground was acquired with AIP funding, therefore the seller was only entitled to what he put in to those land acquisitions for the other AIP ground. Appraised value was \$4,009,128. Purchase price was \$4,600,000. The FAA would like the A-Frame removed, which will come down as soon as the Montgomery's build their home. The FAA would like us to acquire some the Bailey's property for the clear zone. We have discussed a swap of ground with Mr. Bailey and we discussed a cash/rent transaction and have arrived at an amount for the ground that Mr. Bailey farms that is airport property.

Leases are in place that Mr. Montgomery is continuing to operate under his operation agreement. He receives 20% of what the county gets in revenue. The county receives .19¢ per gallon for fuel. We have set up an operating fund of \$20,000 with an agreement with the Montgomery's that what was payable to the county would build up to \$20,000. We require periodic accounting for general operating expenses that are to be paid out of that fund. Most of the capital expenses are paid through the Auditor's office.

Chain of Command is that the Commissioners and Council have deferred to this Board to administer the airport.

Tim stated Buddy Pylitt was the Board member assigned to the acquisition of Terry Airport and questions should be deferred to Buddy. Buddy stated we reviewed operating agreements from some other airports, what people are paying for flowage, etc. Initially we were going to do one agreement with the Montgomery's, the concern was that Dan Montgomery would be wearing different hats. We have three separate agreements. Brad stated he has reviewed the leases and has no problem with them. Brad asked what is our payment amount every year? Mike stated our

agreement with Mr. VanSickle was that he took back a note and mortgage in the amount of \$1,850,000 which is 4% interest only obligation. We are required to pay interest accrued on December 31st, which for 2003 is approximately \$40,000. As we receive AIP money or other money from the FAA to reimburse us for land acquisition, is to be applied to this note. There is no pre-payment penalty. There is a balloon payment due July 1, 2008. Brad asked generally over the years you will apply for the AIP money for reimbursement on the land you have purchased and as it comes in you will apply that to the note? Mr. Howard stated under the Capital Improvement Plan (CIP) there are certain priorities on designated projects. The FAA is extremely interested in us moving the 100-octane tank out of the clear flight zone. They are interested in removing the terminal and closing that parking lot and getting people out of the clear flight zone and acquiring the land. The next items are reimbursement of funds. In theory we are eligible for 90% reimbursement of the funds we have paid Mr. VanSickle. We represented to the Council that other than the emergency items, our next priority would be reimbursement to the county. We can only pay principal, not interest. If we decide to move other capital items up in the priority list, then we would go back to Council and get their permission. Brad asked what do you anticipate the draw on the county general fund going to the aviation board will be on a yearly basis? Mike stated from an operations stand point, zero. Brad asked you expect the revenues on fuel and rental will be enough to cover the maintenance and upgrade items? Mike stated the general maintenance items, yes. We do not see a foreseeable drain on revenues.

Brad stated he assumes that you are interested in additional activity at this airport? Mike stated there have been several people who have approached Board members that want to build hangars and are willing to look at land leases. Our goal is for Boone County to establish an airport zoning designation, which would make those foreseeable uses, such as construction of hangars, maintenance barns, etc. as permitted uses. We have received a six months extension to reply to something that was already in litigation, which is the April 2004 meeting. The Boone County planning staff is to have an initial draft of an airport zoning ordinance next week. We are to have our comments to the Boone County Commissioners by November 10th. It is our goal to have the plan commission consider an airport zone designation ordinance and a rezone on a parallel track so it would be before the plan commission at their December meeting. Brad asked if you receive favorable zoning designation for the airport property, would it be correct to say that Indianapolis Executive Airport would be actively seeking additional activities at the airport? Would you want to bring in more corporate hangars, more airplanes? Mike stated yes. Brad asked who would be the contact person if someone wants to build a corporate hangar? Mike stated Dan Montgomery would be the contact person. Dan would bring the requests to the Board. Mike stated we are not going anywhere until the zoning is in place.

Buddy stated the assumptions assume the FAA is going to give us money each year. The FAA has made it clear to us that there is no guarantee that they will give us money.

Parvin Gillim asked that the same process for zoning happen in Hamilton County, as well as Boone County. It seems odd for a county to ask another county to change their zoning when their own county has not changed their zoning. It is important to the airports in Hamilton County.

New Business

Public Dedication:

Andrea Montgomery stated the invitations for the Public Dedication are mailed. The Palomino Club will provide the refreshments. The sign is being constructed and will be rolled out for the unveiling. The balance sheets will be given to the Board at the October meeting. She will be talking to Amy Vaughn and Jeff Burt.

Indianapolis Executive Airport Update:

Dan Montgomery stated the runway dips have been repaired. Runway lights are ¾ finished and all the repairs should be done next week. The AWOS is ¾ done, we do not have a frequency assigned yet. The localizer is out of service at this time. A glider tow plane with their tow rope landed on the stub and ripped off one of the antennas. The antenna has been repaired and the

width is right at the edge of being out of limits. The FAA told him to shut the system down. We have to have a special company come in make the repairs at a cost of \$14,083. They are scheduled to come in October 13th. The glider club has said they have insurance to cover the repairs. We have had problems with the glider club and he has told them to finish out the year and find a new home, it is not working out. Buddy asked Mike if we should give the glider club special notice? Mike stated the glider club has indicated they do have insurance, Dan will check with their insurance agent, if there is a problem we will not wait until the next meeting to give them notice and their carrier. Dan stated he has asked them if they have the \$14,000 in their checking account and they said they could pay for it. Dan stated he has applied for the name change and all the localizer, glidescope, ADF license and he has not heard anything. Dan stated he will have the sign brought out on October 11th, put on blocks for the unveiling and then they will take it back.

Claims:

Warner Asphalt - \$1,566.00

Lowe's (reimburse Andrea Montgomery) - \$78.87 & 77.02

Striplin Airfield and Aviation Services - \$476.00 & 672.75

Paul Spranger motioned to authorize the President to approve the claims. Buddy seconded. Motion carried unanimously.

Airport Sign:

Mike stated he attended the Boone County BZA meeting last night. One of the open litigation issues arises from when Dan received approval for the terminal the BZA approved it with the condition that prior to January 1, 2003 the owners of the airport were to file a plan that showed where everything was so they could ratify as a special exception the existing condition. There was an appeal of that condition, we did indicate to allow the appeal to expire and proceed under the rezone. As a matter of courtesy we did appear before the BZA to request 180 days for a hearing on that amendment. That 180 day extension was granted. The other issue was for approval of the sign. There was a 2-2 no action vote on the sign. When the sign company filed the application for a variance, because it was larger than permitted under the ordinance, the staff felt the size of the frontage of the airport combined with the 55mph speed limit with travel speeds averaging 70 mph that the sign was warranted and recommended it. Nobody asked about the sign being lit, the sign is backlit and only the letters show up. The candles at the property line are negligible. The Board pointed out that lighting was not permitted. The goal is to amend the variance and go forward. The Montgomery's have ordered the sign, at their own risk. We will appear at the October meeting for the variance. We did tell them that we did not anticipate any additions to the airport prior to the April meeting, other than Dan's house. Paul suggested a letter to the President of the BZA, cc to the members, pointing out that if the sign is backlit, letters only for strictly identification purposes the absence of the illumination at night may cause difficulty for people trying to find the airport, which they may be disturbing residents asking where the airport might be. To minimize their nuisance factor, it may be well to permit the modest lighting of the sign. It also a safety issue, people will slow to try to find an entrance at night and will stop the flow of traffic.

Mid-States Engineering:

Larry Creakbaum stated when Hamilton County bought the airport you accepted the obligations of an open FAA AIP grant in the amount of \$700,000 which was for the Muston property acquisition and the installation of the AWOS. \$600,000 of the \$700,000 has been spent on the acquisition and the AWOS and the contracts from Michiana and Mid-States Engineering on that issue.

Mike Evans presented a FAA pay request in the amount of \$50,912.96 and also a FAA State grant pay request in the amount of \$2,828.45 and a contractor invoice from Michiana in the amount of \$56,568.96. Mike asked if they will be paid directly from the grant money? Larry C. stated yes. Paul asked with the AWOS, is there a date it will be commissioned? Larry C. stated

final payment will be subject to it being commissioned. Paul asked with the localizer and glidescope do we have a remote alarm system? Dan stated yes, it is in his house. Paul stated he has seen alarm systems go to Sheriff's offices and when the alarm goes off they will contact someone to fix it.

Paul motioned to authorize Tim Tolson, Vice President and Kim Rauch, Secretary to sign the documents as requested. Buddy seconded. Motion carried unanimously.

AAI Conference:

Larry C. stated the AAI Annual Conference is October 7-9, 2003 in Angola, Indiana. Hamilton County has been scheduled for a CIP meeting. He will ask the FAA to come with all the necessary information regarding the property trade.

Larry C. stated the FAA will be attending the dedication. They would like to see a list of who have accepted the invitations.

Tim invited anyone who comes to our meetings, to attend the open house on October 11, 2003 from 2-4 pm.

VanSickle Request:

Ms. Melissa Garrard, representing Ray VanSickle. Melissa stated Mr. VanSickle has offered her services, paid by Mr. VanSickle, to assist Mr. Howard with anything that needs accomplished regarding the pending special exception and litigation. Melissa stated Mr. VanSickle has requested a 90 day extension on removing his items from the burnt orange hangar. Arrangements have been made with Mr. Espey for Mr. VanSickle to move his personal items to his storage for another 90 days until Mr. VanSickle's pole barn is constructed. Mr. Espey has been experiencing health problems recently and he does not want to trouble Mr. Espey at this time with the moving and he is requesting he be allowed to keep his personal property in the hangar for another 90 days beyond the expiration period of the contract. Mr. VanSickle is willing to pay rent on the hangar. Buddy thanked Melissa for her hard work. Paul asked what is the progress on the pole barn? Melissa stated she does not know. A contract has been signed.

Dan stated he has asked Mr. VanSickle to move his items from the outside of the hangar and he has started to do that. The inside of the hangar is full. Dan stated he was going to put equipment in it this winter. It needs a lot of repair. He would give him 30 days, but not 90 days. Buddy motioned to approve an additional 30 days thru November 15, 2003, at no additional costs. If the hangar is not emptied the contents are deemed abandoned and we are entitled to do with them what we want. Tim seconded. Motion carried unanimously.

Legal Counsel Report:

Mike asked for a motion to authorize the Board to take all the steps necessary to do the land swap with Mr. Bailey. Buddy motioned to approve whatever steps are necessary for the land swap and authorize our President to sign any necessary preliminary documents to accomplish that. Paul seconded. Motion carried unanimously.

Next Meeting – October 23, 2003 at 6:30 pm

Tim thanked Buddy Pylitt and Mike Howard for their hard work for the acquisition of Terry Airport, now Indianapolis Executive Airport. Paul stated this project would not have happened if it had not been for Mike and Buddy.

Paul motioned to adjourn. Buddy seconded. Motion carried unanimously.

Larry Jacobi, President

Date: _____

Present:

Tim Tolson
Buddy Pylitt
Paul Spranger
Mike Howard
Larry Creakbaum
Mike Evans
Carl Winkler
Dan Montgomery
Andrea Montgomery
Melissa Garrard
Brad Beaver
Jeff Apple
Parvin Gillim
Kim Rauch

Kim Rauch, Secretary

Date: _____